

PROVIDING CASH AWARDS TO PERSONNEL OF MARITIME COMMISSION AND WAR SHIPPING ADMINISTRATION FOR USEFUL SUGGESTIONS TO IMPROVE ADMINISTRATION

DECEMBER 17 (legislative day, DECEMBER 15), 1943.—Ordered to be printed

Mr. RADCLIFFE, from the Committee on Commerce, submitted the following

## REPORT

[To accompany S. J. Res. 78]

The Committee on Commerce, to whom was referred the joint resolution (S. J. Res. 78) to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities, having considered the same, report thereon with amendments and recommend that the joint resolution as amended do pass.

The amendments are indicated in the bill as reported and are as follows:

Page 1, line 5, after the word "employees" insert a comma and the following:

including officers and members of crews employed on United States or foreign-flag vessels as employees of the United States through the War Shipping Administration.

and a comma.

Page 2, line 8, strike out the period, insert a colon and the following:

*Provided*, That any such cash awards shall be ascertained and reported to the Committee on Commerce of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives for approval or disapproval or modification prior to payment.

The first amendment would, by express reference, include as eligible for cash awards for suggestions seamen who are employees of the United States through employment on vessels owned by or bareboat chartered to the War Shipping Administration.

The second amendment requires that reports of awards be made to the Senate Committee on Commerce and the House Committee on the Merchant Marine and Fisheries before payment thereof.

The joint resolution would authorize the United States Maritime Commission and the War Shipping Administration to pay cash awards

for suggestions made by officers or employees of either of such agencies to promote the efficiency or economy or generally improve the administration of the activities of these agencies. The authority extended to these agencies is similar to the authority granted the Navy Department, War Department, and the Post Office Department. Similar legislation for the Department of the Interior is pending on the Senate Calendar (S. 1232; Calendar No. 560). Legislation is necessary in order to provide for payment of appropriate awards to employees as contemplated because of statutory prohibition against the payment of extra compensation to Government employees unless specifically authorized by law.

The Maritime Commission and the War Shipping Administration have set up a procedure for a suggestion program which has been in operation for almost a year. It applies only to employees of the Washington office. Awards made are donated and are not made at the expense of the agencies. The report of the Chairman of the United States Maritime Commission and Administrator, War Shipping Administration, on the joint resolution is appended hereto. It contains information on the present suggestion program of these agencies and on the contemplated operations if the joint resolution becomes law.

The Director, Bureau of the Budget, has advised that that office interposes no objection to legislation to accomplish the general objective contained in Senate Joint Resolution 78.

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UNITED STATES MARITIME COMMISSION,  
WAR SHIPPING ADMINISTRATION,  
Washington, October 8, 1943.

Hon. JOSIAH W. BAILEY,  
*Chairman, Committee on Commerce,  
United States Senate.*

DEAR SENATOR BAILEY: On September 25, 1943, you requested the views of the Maritime Commission with respect to Senate Joint Resolution 78, a joint resolution to provide cash awards to personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities.

The joint resolution would authorize the United States Maritime Commission and the War Shipping Administration to pay cash awards for suggestions made by officers or employees to promote the efficiency or economy or generally improve the administration of the activities of these agencies.

The Maritime Commission and the War Shipping Administration have set up a procedure for the submission of suggestions by employees which has been in operation for nearly a year. It has been put on a permanent basis. For the present participation is confined to employees of the Washington office, but it is contemplated that it will be extended to our field employees. The present system operates under a Central Suggestion Committee which passes on all suggestions. It is made up of nine members, all of whom occupy key positions in the Maritime Commission and War Shipping Administration, Commissioner Carmody being the chairman. The committee has assigned to it a full-time secretary who receives and acknowledges the suggestions, prepares copies for distribution to the committee members, keeps the necessary files, and follows up on the committee's recommendations. A thorough exploration of the suggestions is conducted in connection with the committee's awards. The committee meets once a month or oftener, as necessary, gives individual consideration to each suggestion, and makes the awards. A report of the committee's action on each suggestion is made to the suggestor by the secretary.

Many valuable suggestions have been submitted and awards of War bonds donated by our welfare association have been made. Our employees are eligible

for the monthly award offered by a local newspaper and two employees have won such award. A special award offered by the Commission for quarterly periods has been the privilege of selecting the name and sponsor of a Liberty or Victory ship.

All acceptable suggestions under our plan are placed in the maker's personnel record and rating and reviewing officers are directed to give them consideration in connection with efficiency ratings. Furthermore, particularly valuable suggestions are considered as a factor in granting meritorious increases.

The joint resolution would extend to the Maritime Commission and the War Shipping Administration authority to pay cash awards like that granted the Navy Department, War Department, and the Post Office Department (5 U. S. C., sec. 416; 39 U. S. C., sec. 813; Public Law 11, 78th Cong.). Legislation is necessary in order to provide for payment of appropriate rewards to employees making suggestions for improvement in agency operations because of the statutory prohibition against the payment of extra compensation to Government employees unless specifically authorized by law (5 U. S. C., secs. 51, 69, 70, 71).

It is believed that enactment of the legislation would create a definite incentive for employees of the agencies to exercise their ingenuity to better advantage to the Government and therefore in the public interest.

The Maritime Commission and the War Shipping Administration favor the enactment of the measure.

In view of the urgency of this matter, this report is being transmitted to you without the comment of the Director, Bureau of the Budget. Therefore, nothing herein should be construed as an indication of the relation of the proposed legislation to the program of the President.

Sincerely yours,

E. S. LAND,  
*Chairman, United States Maritime Commission and  
Administrator, War Shipping Administration.*

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington, December 3, 1943.

MY DEAR SENATOR BAILEY: Receipt is acknowledged of your letter of September 25, 1943, requesting the views of this office regarding the proposal contained in Senate Joint Resolution 78, to provide cash awards to the personnel of the Maritime Commission and the War Shipping Administration for useful suggestions to improve administration of their activities.

The Chairman of the Maritime Commission and the Administrator of the War Shipping Administration have submitted a letter, dated October 8, 1943, to the chairman of the House Committee on the Merchant Marine and Fisheries, copy of which letter is attached, favoring the enactment of a similar proposal contained in House Joint Resolution 161.

You are advised that there does not appear to be any reason why this Office would interpose objection to the enactment of legislation that would accomplish the general objective of the proposal contained in Senate Joint Resolution 78 and House Joint Resolution 161.

This office feels, however, that your committee should give consideration to two aspects of the cash award problem that have been of some concern. In the opinion of this office there is wisdom in placing restrictions both upon the amount to be expended in any one fiscal year for cash awards, and upon the maximum amount of any one award made to an officer or employee. In the case of the Maritime Commission and War Shipping Administration, limitations might be \$5,000 as the maximum each agency could expend in any fiscal year, with \$1,000 as the maximum award for any patentable idea, and \$250 for one not of a patentable nature.

Very truly yours,

HAROLD D. SMITH, *Director.*

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